



For Immediate Release
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City, County celebrate expansion of local aerospace industry

- Sino Swearingen to expand operations at San Antonio International Airport -

City of San Antonio and Bexar County officials today announced an agreement with aircraft manufacturer Sino Swearingen Aircraft Corporation ("SSAC") that will result in construction of a new aircraft manufacturing facility, a capital investment of \$70 million and the creation of more than 850 new jobs in San Antonio and Bexar County.

The City and County collaborated to create an incentive package to encourage SSAC to remain in San Antonio. City Council is scheduled to consider an item today to create the Sino Swearingen Reinvestment Zone and expand the company's current 11.7-acre site at San Antonio International Airport to **36.6** acres. The additional land will be used to construct a new **220,000**-square foot manufacturing and assembly facility that will produce 100 aircraft per year. The facility will result in the creation of additional executive, technical and aircraft manufacturing jobs with an average annual salary of \$50,000 a year.

"This is a major victory for San Antonio's economy, and a significant step forward in the development of our aerospace industry," said Mayor Phil Hardberger.

SSAC has five facilities in the United States, four of which are in San Antonio. Its company headquarters, which includes its research and testing operations facility and 469 aerospace executives, engineers and mechanics, are located in San Antonio. It

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also has 220 employees at facilities in West Virginia. The company has an annual estimated payroll of \$55 million.

Known as "Team San Antonio," the City and County have been negotiating with SSAC for more than two years to maintain and expand their operations in San Antonio. The company also considered a site in Martinsburg, West Virginia. The City and County sent a letter of support to the Governor's Office asking for use of the Texas Enterprise Fund (TEF grant to further attract Sino to Bexar County).

"Sino Swearingen builds Bexar County's stature in the aviation field," said County Judge Nelson Wolff. "Not only will our community benefit from the jobs and training Sino will bring, but our reputation will grow nationwide as a production and manufacturing center of aircraft."

Currently, SSAC has developed a new corporate business jet known as the SJ30, which is the world's fastest and longest-range light business aircraft. SSAC is the first start-up company in over 40 years to design and manufacture a new plane for general aviation. The SJ30 jet seats seven people and cruises at over 560 miles per hour at 41,000 feet, and has a range of 2,500 nautical miles. SSAC has received a Type Certification from the Federal Aviation Administration (FAA) to begin final assembly and production of the jet. The new facility in San Antonio will be used to manufacture the SJ30. The company is scheduled to deliver its first production aircraft next month.

"This is a very unique and exciting time for SSAC and San Antonio. We will be in a mode of constant change over the next few years as we transition from a research and development operation to an aircraft manufacturer," said SSAC Chairman and CEO Dr. Ching Kuo. "We are grateful to the City of San Antonio, Bexar County, and the State of Texas for their help in our selection of a site for the long-term, which will assist us in attracting the right talent and resources to grow our business."

The SSAC expansion project qualifies under the City's Joint Tax Phase-In Guidelines for a 10-year, 100-percent tax abatement. This project supports the City's *Strategic Plan for Enhanced Economic Development* by encouraging the retention and expansion of local businesses and promoting growth in the targeted industries of aerospace and manufacturing.

Following City and County approval, the Aviation Department will finalize a long-term lease agreement with SSAC that will include the 11.7 acres currently leased as well as the proposed 22.6-acre expansion.

"xxx," says District 9 City Councilman Kevin Wolff, who's district includes San Antonio International Airport and the current SSAC facility.

The tax abatement agreement is scheduled to be considered by the County on July 13.

"This expansion represents a 12-fold increase in Sino Swearingen's investment in our community," says Commissioner Lyle Larson. The Sino facility will be located in Precinct 3, Larson's precinct.

The project is expected to produce an estimated \$1.2 million in annual ad valorem property tax revenue for North East Independent School District. The University Health System will realize an additional \$170,000 in annual tax revenue while the Bexar County Flood Control District will receive approximately \$9,000 in new tax revenues annually.